

May 24, 2013

**Ex Parte**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Re: *Connect America Fund*, WC Docket No. 10-90; *A National Broadband Plan for Our Future*, GN Docket No. 09-51; *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135; *High-Cost Universal Service Support*, WC Docket No. 05-337; *Developing an Unified Intercarrier Compensation Regime*, CC Docket No. 01-92; *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45; *Lifeline and Link-Up*, WC Docket No. 03-109; *Universal Service Reform—Mobility Fund*, WT Docket No. 10-208

Dear Ms. Dortch:

General Communication, Inc. (“GCI”) hereby replies to recent ex parte letters by Adak Eagle Enterprises (“AEE”) and Windy City Cellular (“Windy City”). GCI reiterates that, at support levels as generated under the Remote Alaska high cost support mechanism and subject to the Commission’s \$3000 per year cap, it stands ready to ensure that voice and broadband services continue on Adak Island in the event that AEE and/or Windy City cease providing service.<sup>1</sup> If that happens as a result of the Commission denying AEE’s and/or Windy City’s petitions for waiver, GCI will either operate the White Alice site or it will take other steps to maintain voice coverage on Adak Island.<sup>2</sup> If AEE ceases providing broadband service as a result of the Commission denying AEE’s petition for waiver, GCI will provide broadband through a wireless broadband service similar to that it offers in Dutch Harbor.<sup>3</sup> GCI can and would also

---

<sup>1</sup> Dramatic changes, such as could result depending on how Mobility Fund Phase 2 and Tribal Mobility Fund Phase 2 are implemented, could impinge on any provider’s ability to serve Adak. GCI is not herein addressing that contingency, as AEE’s and Windy City’s waiver petitions assume the continuation of current forms of high cost support.

<sup>2</sup> See Letter from John T. Nakahata, Counsel, General Communication, Inc., to Marlene H. Dortch, Secretary, Federal Communications Commission, at 4, WC Docket Nos. 10-90, 10-208 (filed Aug. 29, 2012).

<sup>3</sup> See Comments of General Communication, Inc., at 2, WC Docket Nos. 10-90, 10-208 (filed July 2, 2012).

ensure that services continue to Adak Island's schools, as well as to the rural health clinic for which GCI is already the service provider.<sup>4</sup>

GCI also responds to AEE/Windy City's continued efforts to throw mud at GCI. In Adak, irrespective of the number of handsets that a customer purchases and activates, GCI does not include in its Form 525 high cost line count reports any lines that have no usage in the reporting quarter. In other words, if a GCI subscriber with a billing address in Adak has two wireless lines but only one has usage during the reporting quarter, GCI will report only one line in Adak for high cost USF support. This is not a recent development. GCI has applied this usage test to all lines reported for Adak Island since September 30, 2010 (i.e., lines as of September 30, 2010). GCI prophylactically adopted this safeguard specifically so that promotional incentives to add lines on Adak Island would not artificially increase high cost support for unused handsets, given the significant amounts of per line high cost support provided.<sup>5</sup>

To the extent that AEE/Windy City is insinuating that GCI can afford to provide service on Adak within the FCC's \$3000 per line annual high cost support cap because of phantom customers, that allegation is false. GCI provides services on Adak within the FCC's \$3000 per line annual high cost support by providing service efficiently and by spreading common costs across all its Alaska operations.

Please contact me if you have any questions.

Sincerely,



John T. Nakahata  
*Counsel to General Communication, Inc.*

---

<sup>4</sup> *See id.*

<sup>5</sup> GCI has never forced any consumer to purchase multiple lines from GCI on Adak. However, some incentive programs that GCI ran in Adak in 2010 were structured on a per line basis. Thus, some customers chose to purchase multiple lines. GCI's "no usage" line reporting safeguard ensured that any lines to which Adak customers subscribed but did not use would not be included in line counts submitted for high cost support.